

Remarks

Upon entry of the foregoing amendment, claims 26 and 51-64 will be pending in the application, with claims 26, 55, 58, and 61 being the independent claims. Claims 27-50 are cancelled without prejudice or disclaimer of the subject matter therein. New claims 51-64 are added for examination on the merits.

Based on the above amendment and the following remarks, Applicants respectfully request examination of the pending claims on the merits and reconsideration of all outstanding objections and rejections.

Interview Summary

The courtesy extended by Examiner Kalinowski in the personal interview of April 6, 2004 is noted with sincere appreciation.

In the interview, the undersigned first updated the Examiner on the status of a pending litigation involving the parent patents, *Intell-A-Check Corporation v. AutoScribe Corporation et al.*, Civil Action No. 01-4625 in the United States District Court for the District of New Jersey. The plaintiff alleges in this declaratory judgment action that the parent patents of the present application are invalid and unenforceable, and that their claims are limited in scope such that plaintiff does not infringe them. This litigation has proceeded through the discovery phase and a Markman hearing has been scheduled so that the Court can construe the issued claims.

The undersigned informed the Examiner that the plaintiffs have argued that the term "automated" in the preamble of issued claims is a material limitation that requires the entire process or apparatus to perform in an automated fashion. Thus, for example, plaintiff asserts that their software is not "automated" as required by the claims, because

it requires the operator to take an action to confirm that the operator is ready to print a draft.

The undersigned discussed the merits of this argument with the Examiner. The Examiner confirmed that his examining group does not consider the term "automated" in the preamble of a claim to limit the scope of that claim. The Examiner further noted that examiners in the group have not accepted such arguments, and have defended at least one such rejection on appeal, where the applicant argued that the word "automated" in the preamble provided a patentable distinction. The Examiner indicated that in his view, such an "automated" limitation must be included in the body of the claim, and not in the preamble, if it is to limit the scope of the claim. The undersigned indicated that he would submit claims that were similar to the issued claims but eliminate the term "automated" from the preamble. The Examiner indicated that removing the term "automated" from the preambles of the claims, as proposed, would not affect the scope or patentability of those claims.

The undersigned also noted that plaintiffs appear to be arguing that the issued claims must generate payment instructions at the same time the data is entered, without delay. However, most of the issued claims do not include such a limitation.

Finally, the Examiner's attention was directed to plaintiff's assertion that the issued claims in the parent cases are limited to embodiments where the payment is processed by printing a paper draft, as opposed to submitting payment information to the clearing house electronically. The undersigned noted that some of the issued claims in the parent cases, for example claim 10 of the 6,041,315 patent, do recite the process of transmitting payment information to the central clearing system in non-specific terms. These terms are broad enough to literally encompass a direct electronic submission, as

well as printing and submitting a paper draft. While some of the preferred embodiments disclosed in the specification include the step of printing paper drafts, the invention is not so limited. The inventor is entitled to claim his invention in terms that are broader in some respects than the specifically disclosed embodiments, to encompass known variations of those embodiments. The inventor has done so in claims such as claim 10 of the '315 patent, which encompasses electronic processing. The undersigned informed the Examiner that to counter the allegations in the litigation, Applicant wishes to submit additional claims that recite, in the context of the invention, generating information for submission to an automated clearing system. Such claims are specifically intended to cover systems and processes that include printing and manually submitting paper drafts, and also the known alternative of directly submitting a transfer order by electronic means, as does (for example) claim 10 of the '315 patent.

The undersigned noted that, due to an apparent docketing error in the Patent Office that was not the fault of the Examiner or the Applicant, no action was taken in response to Applicant's amendment filed July 12, 2002 for a period of approximately a year. As a result, this case has been pending for over four years, and Applicant wishes to expedite and conclude prosecution while confirming a broad scope of claim coverage.

The undersigned discussed possible approaches with the Examiner to achieve these objectives as rapidly as possible. In particular, one option discussed was to cancel pending claims 27-50 without prejudice or disclaimer, resubmit those claims for further prosecution in a divisional application, and to immediately submit a smaller set of claims in this case that are based directly on issued claims from the parent patents. The new claims would include modifications and their examination and allowance will confirm that the arguments made in the litigation are without merit, both as to the already issued

claims and as to the new claims. The Examiner reviewed drafts of newly submitted independent claims 55, 58, and 61 as examples of the type of claims proposed for submission.

It was generally agreed that the issued claims were allowed based on recited features that were patentable in context, and that as a general rule the issued claims do not depend on the terms "automated" or "contemporaneous" for their patentability. Similarly, some of the issued claims are limited to the printing of a paper draft, while others were allowed with a scope that encompasses both paper drafts and electronic submissions. The issued claims that encompass a range of clearing house submission methods include other features that distinguish the claimed invention from the prior art. Therefore, Applicant's proposed claims, rewritten to explicitly remove certain wording, would still be patentable over the art of record.

Following this discussion, the Examiner indicated that to achieve the goal of expedited prosecution, it would be appropriate to continue prosecution of claims 27-50 in a divisional application. The Examiner also agreed that it is appropriate for Applicant to file a Request for Continued Examination with a new set of claims directed to features already deemed patentable in the parent cases. The Examiner stated that he will carefully and completely review the claims after they are formally submitted, and will need to conduct an updated search before finally approving the claims. However, the submission of claims that are closely based on previously examined and issued claims is likely to contribute to the goal of expediting prosecution. The undersigned committed to delivering a formal response to the Examiner as soon as possible, and the Examiner agreed that he would take prompt action on the submission.

Information Disclosure Statement

An Information Disclosure Statement is submitted herewith for consideration by the Office. It is respectfully requested that the Examiner review the references provided and initial Forms PTO-1449 in the appropriate space to indicate consideration of these documents.

Four documents from the pending litigation referencing alleged prior art information that might be relevant to the case are submitted, in an effort to provide full disclosure to the Office. It should be noted that the depositions of PayChex and CheckFree, although noticed, were never taken. Also submitted are the Markman claim construction briefs and supplemental briefs of the parties. The Examiner's attention is invited to the Plaintiff's briefs that present the arguments noted during the interview, as well as other arguments relating to the scope of the issued claims.

Claim Amendments

Claim 26, as originally submitted, was based on claim 1 of the '315 patent. The amendments to claim 26 are made to increase clarity and to even more clearly indicate that the claim language broadly covers a system that generates instructions for a payment to the payee in an electronic information form. The claim does not specify how these instructions are processed through an automated clearing system to cause the desired payment; therefore the claim as amended is broad enough to encompass a range of available processes that produce the desired result, including, but not limited to, printing and submitting a paper draft, and/or direct electronic submissions.

Claim 55 is based on issued claim 10 in U.S. Patent 6,041,315. Claim 55 does not include the term "automated," which as noted above, was not a material limitation in

claim 10 of the '315 patent. The elimination of this term should not affect patentability. The term "contemporaneously" has also been removed, as Applicant believes claim 55 is patentable over the art of record without this limitation. Additional clarifications have been made in the claim language as can be seen by comparison with claim 10 of the '315 patent. This claim language encompasses a range of available processes to produce the desired result, including, but not limited to, printing and submitting a paper draft, and/or direct electronic submissions.

Claim 58 is based on claim 1 of U.S. Patent 6,041,315, but has been modified so it does not require an output means that generates a paper copy of the draft. Claim 58 instead recites "an output transmitting circuit associated with said input means and connected to a communications channel, said output transmitting circuit including a processing circuit that processes said information specifying a payment to generate electronic information, wherein said output transmitting circuit transmits said electronic information to another site to enable transfer of funds through an electronic check clearing system in accordance with said electronic information." This language defines a circuit that transmits payment information to a central clearing system, in non-specific terms. This broad recitation is supported by the specification, since the specification discloses that information can be transmitted to another location whereupon the data is submitted from that location to a clearing house. The specification discloses that the information may be printed on a paper draft at the central location to facilitate the submission process, but as noted previously the invention is not so limited. Applicant is entitled to claim the invention in broad terms to encompass known variations of the disclosed process, and wishes to do so. Therefore, like the other pending claims, claim

58 has been intentionally written to literally encompass a direct electronic submission, as well as printing and submitting a paper draft.

Independent claim 61 is based on claim 8 of the '315 patent. The language of issued claim 8 has been modified to remove the term "automated," which is not a material claim limitation. The claim language has also been modified to remove references to paper draft printing, making the claim broader in that respect. Claim 61 as written also literally encompasses an electronic submission, as well as printing and submitting a paper draft.

Response to Rejections

Claim 26 was not canceled when claims 27-50 were submitted. However, it was overlooked in preparation of the current office action and was neither allowed nor rejected. Applicant notes that the two grounds of rejection applied to claim 26, double patenting and applicant's prior activities, were overcome by the submission of a terminal disclaimer and a declaration by applicant regarding the features of his prior on-sale systems. Claim 26 was therefore apparently in condition for allowance. The amendments to claim 26, while broadening the claim, are not believed to affect patentability. Therefore, claim 26 should still be in condition for allowance.

The rejections of claims 27-50 under 35 U.S.C. 101 and 102 are respectfully traversed. However, in view of the agreement that Applicant will cancel these claims without prejudice or disclaimer and submit them in a divisional application, these rejections are now moot. A complete response to these rejections will be provided in the divisional application.


Conclusion

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

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